

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY REGARDING)	CASE NO. 95-285
IMPLEMENTATION OF INTRALATA 1+)	
PRESUBSCRIPTION)	

AT&T COMMUNICATIONS OF THE SOUTH)	
CENTRAL STATES, INC., MCI)	
TELECOMMUNICATIONS CORPORATION,)	
SPRINT COMMUNICATIONS COMPANY,)	
AND WORLDCOM, INC. D/B/A LDDS)	
WORLDCOM)	
)	
v.)	CASE NO. 95-396
)	

BELLSOUTH TELECOMMUNICATIONS,)
INC., D/B/A SOUTH CENTRAL BELL)
TELEPHONE COMPANY)

O R D E R

On August 13, 1996, the Commission entered an Order addressing BellSouth Telecommunications, Inc.'s ("BellSouth") tariff to implement intraLATA 1+ service and a group of interexchange carriers' complaint against BellSouth. In that Order at page 11, and in ordering paragraph number 7, the Commission addressed 0- calls. The issue concerned a customer who had designated another carrier as its intraLATA toll provider, yet made 0+ or 0- intraLATA calls using BellSouth's operators. However, the reference to 0+ calls was inadvertent and the Order should be amended accordingly. Calls dialed using 0+ are handled by the customer's designated carrier.

On September 5, 1996, MCI Telecommunications Corporation ("MCI"), AT&T Communications of the South Central States, Inc. ("AT&T"), and Sprint Communications

Company ("Sprint") filed for rehearing on several issues. On September 18, 1996, BellSouth filed its response to the motions.

The Commission's August 13, 1996 Order permits BellSouth to assign to itself "no PIC" customers and does not require BellSouth to accommodate a "no PIC" option in the selection of an intraLATA carrier. MCI and Sprint seek rehearing on this issue arguing that it is inconsistent with the Federal Communication Commission's Second Report and Order and Memorandum Opinion and Order, FCC Order No. 96-333 issued August 8, 1996 ("Second Report and Order"). At paragraph 81, the Second Report and Order prohibits dial tone providers from automatically assigning new customers to themselves and requires new nonselecting customers to dial a caller access code to route their intraLATA toll or intrastate toll calls to the carrier of their choice. BellSouth responded that it is pursuing a solution to this issue. The Commission finds that rehearing should be granted on this issue.

AT&T and Sprint seek rehearing on the issue of not requiring BellSouth to allow premises owners to presubscribe intraLATA toll carriers other than itself to its payphones. Sprint simply urges the Commission to wait until the FCC has made final decisions regarding this issue. AT&T acknowledges that the Commission correctly interpreted Section 276 (b)(1)(E) of the Telecommunications Act of 1996 ("1996 Act"), which gives BellSouth the right to negotiate with the premises owner on the premises owner's choice of intraLATA carrier from BellSouth-owned payphones. AT&T goes on to argue that competition will be frustrated because premises owners will be required to choose BellSouth as the intraLATA carrier for BellSouth-owned payphones. AT&T

further argues that the Commission's Order ignores Sections 276 (a)(2) and 276 (b)(1)(C) of the 1996 Act, which discuss nondiscriminatory and competitive safeguards. BellSouth responds that the Commission's Order has correctly interpreted the law and that AT&T has not brought any new information to light on this issue but is rearguing the case. The Commission agrees with BellSouth and finds that rehearing on this issue should be denied.

Sprint seeks rehearing on the issue of BellSouth charging a PIC charge for the selection of an initial intraLATA toll provider other than BellSouth. Sprint argues that the Second Report and Order prescribes rules which provide intraLATA competitors with nondiscriminatory access, including access to telephone numbers, operator services, directory assistance and directory listing, and prohibits unreasonable dialing delay. Further, Sprint seems to argue that by allowing BellSouth to charge a PIC charge to change service providers, the Commission Order violates the FCC Second Report and Order. The Commission finds that no new information has been brought to bear on this issue and the request for rehearing is denied.


Being otherwise sufficiently advised, the Commission HEREBY ORDERS that:


1. The elimination of references to 0+ calls on page 11 and at ordering paragraph number 7 of the August 13, 1996 Order to be entered nunc pro tunc.
2. The requests for rehearing on the issues of payphone presubscription and the initial PIC charge are denied.
3. The request for rehearing on the issue of the "no PIC" option is granted.

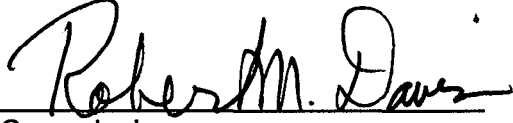
4. Within 30 days of the date of this Order, BellSouth shall file a statement describing its proposed solution for "no PIC" customers including a proposed timeframe for implementing its solution.

Done at Frankfort, Kentucky, this 25th day of September, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director